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April 20, 1983

Alexander Holtzman, Esq.
 Associate General Counsel
 Philip Morris Incorporated
 100 Park Avenue
 New York, New York 10017

Re: LS, Inc. - 1983 Funding

Dear Alex:

The 1983 LS, Inc. budget is \$3,853,194. The LRD portion is \$3,160,292 of which \$780,000 has already been paid, leaving a balance for the remaining eight months of \$2,380,292 to be paid on a market share basis. The latest (January 28, 1983) Maxwell estimates of domestic cigarette sales (percentage of market) for the six companies are:

	<u>Percent</u>
American Brands, Inc.	8.87
Brown & Williamson Tobacco Corporation	13.33
Liggett Group, Inc.	2.87
Lorillard, A Division of Loew's Theatres, Inc.	8.71
Philip Morris Incorporated	32.76
R. J. Reynolds Tobacco Company	33.46
	<u>100.00</u>

Philip Morris' share of the LRD portion of the budget for the remaining eight months is \$779,783.68.

The 1983 Case Support Division budget is \$692,902 of which \$90,000 has already been paid, leaving \$602,902 due for the remaining eight months. Philip Morris' per capita share for the balance of the year is \$100,483.68.

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SHOOK, HARDY & BACON

Alexander Holtzman, Esq.
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The total amount due from Philip Morris for the balance of the year (combined budgets) is \$880,267.36. Shook, Hardy & Bacon's service agreement with LSI calls for payments every two months beginning with May 1. Therefore, I would appreciate your forwarding a check payable to Shook, Hardy & Bacon in the amount of \$220,066.84 as payment for May and June, 1983. Upon receipt, Shook, Hardy & Bacon will send LSI a similar amount. Similar requests will be sent in the middle of June, August and October.

I am informed by Fred Giller that funds for LSI (now in LRD/TLF accounts) are almost depleted and therefore, there is some need to move as expeditiously as your schedule permits.

Best personal regards.

Sincerely,



Charles R. Wall

CRW:crc

cc: Fredric S. Newman, Esq.

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